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SOURCE Chinese newspapers as indicated.

#### **COMMUNIST CONTROL OF INDUSTRY EXPANDED**

ORDNANCE BUREAU HAS FIRST ASSIMILY -- Hua Shang Pao, 7 May 49

The Ministry of State Enterprises of the North China People's Government convened the Ordnance Bureau's first representative assembly at Pei-p'ing on 10 - 23 April 1949. One hundred twenty-three delegates attended the conference, representing the workers of the former Shansi-Hopeh-Shantung-Henan and Shansi-Chahar-Hopeh arsenals. The conference decided on future policies, drew up a labor union charter, established a unified control organ (known as the Central Workers' Association of the Ordnance Bureau), and passed a consolidation agreement with the Ordnance Bureau.

COMMUNISTS TAKE OVER WU-HSI SILK ORGANIZATION -- Hua Shang Pao, 11 May 49

The Communist Military Control Commission in Wu-hsi has taken over the Wu-hsi office of the KMT-government-owned Silk Corporation and one of its subordinate units, Experimental Station No 3. As a result of the favorable policies pursued in northern Kiangsu, former employees remained at their jobs and prepared an inventory in preparation for the change in ownership. Agents of the new government explained the policies to a workers' assembly, and by 29 April 1949 all had been turned over in an orderly fashion.

Wu-hai is a focal point for the silk industry in southern Kiangsu, one-fifth of the inhabitants of the city earning their livelihood from this source. The Silk Corporation controlled seven tenths of the silk industry in Wu-hai and vicinity, as well as a large part of the industry in the T'ai Hu area. Farmers have suffered many hardships as a result of its predatory practises and the industry has lagged in recent years. In 1947 the Wu-hai office bought 110,972 piculs of silk [<sup>1</sup> picul equals 133.3 pounds], but the figure dropped to 69,083 piculs in 1948.

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## NORTH CHINA GOVERNMENT AIDS INDUSTRY -- Wen-hui Pao, 11 May 49

The T'ien-ching (Tientsin) People's Bank recently made a second loan of 300 million yuan to the K'ai-luan (Kailan) coal mines for the purpose of aiding in the payment of wages and increasing production. The first loan was made on 28 April 1949.

The Pei-p'ing Bank of Communications specializes in granting loans to industries and mines. During the period 29 March - 7 May 1949 it loaned out more than 74 million yuan, of which 63 million yuan were extended to eight state-owned enterprises and the remainder to 21 private enterprises. The bulk of the loans was used to obtain raw materials or for purchasing equipment.

The T'ang-shan [Ueda: 1342, 2528] Steel Works recently instituted a production competition system to celebrate the 1 May Festival and as an aid in increasing production. During April 1949 this plant produced 551 tons of steel, an increase of more than three times the monthly average of 160 tons prior to liberation. April output surpassed the target set for the month by 46 percent. The pressed steel output for April was 301 tons, more than double the preliberation average of 117 tons, and 51 percent more than the target set for the month.

## PRINCIPLES FOR STATE ENTERPRISES ADOPTED -- Wen-hui Pao, 15 May 49

The Ministry of Commerce of the Northeast Executive Committee recently called a conference of managers of all department stores in the Northeast to discuss the main objectives of state enterprises in that area. These objectives are to satisfy the people's desires, develop cooperative enterprises, and oppose illegal and harmful practices by private firms. The conference recognized that the nation possesses sufficient quantities of cloth, grain, salt, oil, and coal, which must be effectively marketed by state enterprises. Popular needs and market condition should be studied in order to meet the needs of the masses in regard to quantity, quality, and seasonal sales requirements.

The conference agreed that revival of currency values was also an important task of state enterprises, pointing out that stabilizing prices and opposing illegal practices of private business are inseparable. State enterprises must use the government's economic power and its executive agencies for greater control over private merchants, in order to lead them along lines beneficial to a state-planned people's livelihood and to fight speculation and actions that disturb the market.

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